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Summary of Call #4 Residential, Commercial, and Industrial Technical Work Group October 27, 2005, 9:00am – 10:30am

Attendance:

1. Technical Working Group members:

Ken Evans (for Kevin Kinsall) – Phelps Dodge Jeff Homer – General Dynamics Glenn McGinnis – Arizona Clean Fuels Tim Higgs (for Tim Mohin) – Intel Corporation Amanda Ormond – Grand Canyon Trust Jeff Schlegel – Southwest Energy Efficiency Partnership

Penny Allee Taylor – Southwest Gas

2. ADEQ staff:

Kurt Maurer

3. Center for Climate Strategies (CCS) staff:

Alison Bailie, David von Hippel

4. Other Attendees:

Brian O'Donnell, Southwest Gas; David Jallo (Arizona Public Service); Rebecca Chavez, Tucson Electric Power

Background documents:

(all posted at http://www.azclimatechange.us/template.cfm?FrontID=4674)

- 1. Meeting Notice and Agenda
- 2. Summary of RCI TWG Call#3
- 3. Powerpoint presentation for meeting
- 4. RCI GHG Reduction Opportunities (updated policy matrix)

Discussion items and key issues:

- 1. Inventory and Reference Case Updates
 - a. Alison Bailie reported that APS had provided a rough estimate of their projected growth rate for electricity sales. Using this rate up to 2010, weighted with the rates provided by the other two major utilities, leads to a projected growth rate for

2004-2010 of 3.4%. For projections beyond 2010/2011 (the utilities have not provided growth rates for this time period), the EIA NEMS model results indicate a 2.8% growth for Arizona. Jeff Schlegel expressed his concern that these values are not supported by recent historic levels or other projections from the utilities. Tellus/CCS will put together a memo outlining the data and information collected on electricity sales for the TWG to review and provide their recommendations on the appropriate growth rate.

- 2. Further Discussion of RCI GHG Reduction Policy Options Matrix.
 - a. The TWG discussed changes to the organization of the matrix the TWG agreed to a set of changes including combining some categories in section 1 and adding others, combining the two options in the "Appliance Standards" area, creating a new area for customer-sited generation and bringing together a number of related options within that area, and other changes. Tellus/CCS incorporated these changes into the updated matrix for call#5.
 - b. The TWG chose to continue with assigning priority rankings for the previously unranked options in the matrix. Discussion of the existing rankings (including any suggested changes from the CCAG) will occur after all options in the Policy Options Matrix have been ranked in a first round of discussions by the TWG.
- 3. Ranking of Options
 - a. The TWG ranked the options in (old) group 7 (Non-Energy Emissions (HFCs, PFCs, SF₆, CO₂ process Emissions). These rankings have been included in the updated policy matrix
- 4. The group did not complete prioritization of all the options on the list. The group will resume prioritization efforts at the next scheduled call.

Next steps and agreements:

- 1. Next TWG call (Call #5): November 10 from 9:00 to 10:30 am
- 2. Schedule for TWG Call #6: December 1 from 8:30 to 10:00am PLEASE NOTE EARLIER START TIME!